



By: TA | AP Insight

France's new budget clears the way for a military spending boost



France's delayed budget for this year is set to pass Monday, clearing the way for **higher military spending** promised by President Emmanuel Macron to confront threats linked to Russia's war in Ukraine and Mideast conflicts.

The expected adoption of the budget marks the final step of a monthslong, chaotic process that exposed deep divisions in the **fractured Parliament**, which proved unable to reach a compromise.

Prime Minister **Sébastien Lecornu** ultimately opted to use his special constitutional power to pass the bill without a vote.

He is widely expected to survive two no-confidence votes on Monday evening.

Focus on military forces

Macron has vowed to increase defense spending to counter what he describes as a widening range of threats, from Russia and nuclear proliferation to terrorism and cyberattacks.

France in December passed an emergency law to avoid a U.S.-style government shutdown, but only the full 2026 budget provides the military with the needed funding to build up forces.

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The Defense Ministry will get this year an additional 6.7 billion euros (\$7.9 billion) compared to 2025 — a notable exception as the state seeks to curb spending across most other sectors.

This year, the armed forces are set to receive a new nuclear-powered attack submarine, 362 armored vehicles to modernize the army, and new Aster surface-to-air missiles.

France is also launching its new **voluntary military service** this year aiming at training thousands of volunteers, mostly aged 18 and 19.

Limiting the deficit

The government is targeting a budget deficit of 5% of gross domestic product, down from 5.4% in 2025.

Public spending is expected to edge down slightly, from 56.8% to 56.6% of GDP as authorities try to rein in debt in the European Union's second-largest economy.



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France has come under pressure from the EU and credit rating agencies to reduce its debt, prompting the center-right government to seek spending cuts.

However, with no majority in Parliament, Lecornu also granted costly concessions to Socialists to keep them from backing efforts to topple his government.

The most symbolic is the suspension of Macron's unpopular **pension changes** to raise the retirement age from 62 to 64.

The state deficit is projected at 131.9 billion euros (\$156.5 billion), almost stable compared with the previous year.

Businesses will bear several tax increases,

including an extra tax on large companies' profits that's expected to raise 7.3 billion euros (\$8,7 billion) in 2026.

What it means for Macron

Macron, 48, is soon entering the last year of his presidency in spring 2027.

He has largely stepped back from domestic politics since his 2024 decision to call early legislative elections plunged Parliament into turmoil and led to the **collapse of successive governments** over budget disputes.

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Lecornu, the fourth prime minister in two years, has already survived six no-confidence votes initiated by the hard left and the far right. Macron, meanwhile, has focused on foreign policy, European affairs and defense.

In recent weeks, he has pushed for **security guarantees for Ukraine** in the event of a peace deal with Russia, joined European leaders in a show of solidarity with Greenland, and supported the inclusion of Iran's Revolutionary Guard on the EU's list of terrorist organization.

As his sunglasses became a sensation at the Davos gathering of world leaders, Macron's remarks that France prefers "respect to bullies," seen as a rebuke to President Donald Trump's tariffs threats, drew worldwide attention.